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Legislative Notice

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S. 1768 — Emergency Supplemental Appropriations, FY98

Calendar No. 326

Reported by the Appropriations Committee on March 17, 1998, by a vote of 26-2.

NOTEWORTHY

- The Senate will begin consideration of S. 1768, the Emergency Supplemental Appropriations bill on Monday, March 23, 1998.
- S. 1768, the Senate bill, as reported, includes a total of \$2.83 billion in new budget authority and a total of \$273.9 million in rescissions and offsets. The bill, as reported, provides emergency funding, mandatory spending or spending that is offset or accommodated within the existing budget totals, and so none of the spending is required to be offset (see chart, page 8).
- The bill includes \$562 million in emergency appropriations for natural disasters, and \$1.9 billion for defense accounts for peacekeeping operations in Bosnia and Southwest Asia as well as for repairs resulting from natural disasters in the U.S. and Guam.
- Also, S. 1768 includes language (1) regarding universal service funds to wire schools, libraries, and rural health center programs; and (2) to encourage the U.S. Forest Service to prepare substitute projects if its proposed moratorium precludes cutting in an area already designated for it.

BILL PROVISIONS

Department of Defense

- The Committee provided a total of \$1.9 billion to fund the incremental costs of contingency operations in Bosnia and Southwest Asia and to fund repairs resulting from natural disasters.
- **Operations and Maintenance (O&M):** The Committee provided \$1.6 billion, of which \$1.19 billion is for Southwest Asia and \$367.2 million is for Bosnia. An additional \$44 million in contingent emergency funding is provided to support disaster repairs resulting from the El Nino storms and other natural disasters.
- The O&M account includes \$1.5 billion for the overseas contingency operations transfer fund. Two adjustments were made to this account:
 - For Bosnia, the Committee recommends only \$26.1 million of the \$42 million requested for infrastructure upgrades, citing concerns that such upgrades suggest an increasing hardening of temporary facilities. According to the Committee, funding the construction of long-term, semi-permanent facilities represents a significant change in the policy of stationing forces on a temporary basis. The Committee notes that an emergency supplemental request is not the appropriate vehicle to address such a significant policy change.
 - Although the administration had requested \$50 million for drawdown recovery costs in Southwest Asia, the Committee views as inappropriate the requirement for \$50 million to pay for transportation of other nations' personnel or equipment as part of the military buildup in Southwest Asia. Therefore, pending the resolution of discussions with coalition partners and allies regarding cash or assistance-in-kind contributions in support of the increased operational tempo in Southwest Asia, the Committee does not provide any funds for this purpose.
- **Use of emergency funds for infrastructure projects:** The Committee directs that funds provided to the overseas contingency transfer fund may not be used to construct, modify, repair or refurbish any facility or project where the costs exceed \$2 million.
- **Military personnel:** The Committee is troubled by the indefinite nature of the peacekeeping operations in Bosnia and Southwest Asia. This diversion of forces from preparation for warfighting missions has not only eroded combat readiness, but has led many service members to question the value of continued service. Therefore, the

Secretary of Defense is required to submit, within 30 days after enactment, a report on military personnel retention rates for all personnel deployed in former Yugoslavia and the Persian Gulf region.

- **Burden-sharing:** The Committee includes a provision which requests that the administration seek greater support for common defense in Southwest Asia.

Natural Disasters and Other Emergencies

Department of Agriculture

- **Agriculture Credit Insurance Fund Program Account:** \$21 million to support an estimated \$87 million in emergency disaster loans to provide assistance to farmers and ranchers for farmland, livestock, and crops damaged due to the ice storms, tornadoes, flooding, and other natural disasters. The bill also provides an additional \$6.7 million to support an estimated \$68 million in additional direct farm ownership and operating loans, as well as an estimated \$25 million in guaranteed farm ownership loans.
- **Emergency Conservation Program:** \$20 million to provide cost-sharing assistance to farmers and ranchers for farmland damaged by natural disasters.
- **Commodity Credit Corporation Fund:** \$4 million to assist farmers and ranchers who lost milk production or cattle as a result of natural disasters.
- **Watershed and flood prevention operations:** \$65 million to reduce hazards to life and property in watersheds damaged by natural disasters.
- **Forest Service:** \$48 million to assist in disaster relief efforts and management of forest resources on State, local government, and private lands affected by the January 1998 ice storms in the Northeast. An additional \$10 million is provided for the National Forest System to support trail and recreation area cleanup.
- **Food Stamp Program:** Includes language requested by the administration to clarify that funds provided for FY 1998 for food stamp program employment and training activities are to remain available until expended.

Department of Health and Human Services

- **Food and Drug Administration:** Includes bill language to increase the amount of prescription drug user fees that the FDA can collect and use for authorized purposes in FY 1998 from \$91.2 million to \$117.1 million, the full level that has been authorized.

Energy and Water

- **Department of Defense/Corps of Engineers:** \$33 million for emergency levee and waterway repairs at Elba and Geneva, Alabama, and emergency repairs to the Archusa Dam in Mississippi. An additional \$30 million is appropriated to the Corps to complete repairs to navigation channels and harbors, reservoir facilities, and flood channels damaged by floods and storms in California, the Pacific Northwest, Southeast, and along the North Atlantic coast.

- **Atomic Energy Defense Activities/Department of Energy:** Provides \$4 million for the development and demonstration of dielectric wall accelerator technology for remote explosive detonation, radiography and fusion applications. This unrequested amount is fully offset by a reduction in other defense activities. Authority is provided for DOE to spend \$5.4 million derived from funds collected under the Foreign Research Reactor Spent Fuel Program for the management of spent nuclear fuel elements at the Savannah River site.
- **Bureau of Reclamation/Department of the Interior:** While the administration requested \$2.3 million, the Committee recommends that the Bureau reprioritize work scheduled for the current year and use existing funds to accomplish critical activities resulting from recent storms.

Department of the Interior

- **U.S. Fish and Wildlife Service:** \$28.9 million for construction, of which \$3.9 million is for repairs to the Guam National Wildlife Refuge; \$17.2 million is for repairs in California, Nevada, and Washington; and \$7.8 million is for repairs in the Northeast and Southeast as a result of natural disasters.
- **National Park Service:** \$8.5 million for construction to repair damage to national park property caused by natural disasters in the Northeast, California, and Florida.
- **U. S. Geological Survey:** \$1 million to repair facilities and monitoring equipment as a result of recent natural disasters.
- **Minerals Management Service:** \$6.7 million (to be derived from increased receipts related to Outer Continental Shelf activities) for royalty and offshore minerals management to enable the Service to meet increased workload and information demands.
- **Bureau of Indian Affairs:** \$1.1 million for operation of Indian programs as proposed by the administration for document collection to support the Government's defense of *Elouise Pepion Cobell et al. v. Bruce Babbitt et al.*, a lawsuit filed on behalf of holders of individual Indian money accounts.
- **Office of Special Trustee for American Indians:** \$4.7 million for Federal trust programs for document collection for the above lawsuit.
- **U.S. Forest Service Road Building Moratorium:** Includes language (section 405) to encourage the Forest Service to prepare substitute projects if its proposed moratorium on the construction of new roads precludes cutting in an area already designated for it. The Committee has appropriated \$2 million to compensate small communities for lost county payments caused by the moratorium. Any additional shortfall in harvesting revenues to counties must be absorbed by the Forest Service. Also, the Forest Service is directed to conduct three studies to provide information necessary to develop a longer term transportation policy on National Forest System lands. These studies are: (1) whether standards and guidelines in existing forest plans encourage entry into roadless areas; (2) completion of an inventory of the road system and maintenance needs within the National Forest System; and (3) a comprehensive analysis of the economic and social effects of the moratorium.

Department of Health and Human Services

- **Health Care Financing Administration:** \$16 million (offset by a reduction in funding for peer review organizations) for activities related to the Health Insurance Portability and Accountability Act of 1996.

Legislative Branch

- **Architect of the Capitol:** \$7.5 million to begin the emergency repair of the Capitol dome (current estimate of the project is \$26.5 million).

Department of Defense

- **Military Construction:** \$14.8 million to the Navy for repair of facilities in Guam and \$2.6 million for Marine Corps facilities in California, as well as \$5.9 million to the Air Force for repair of roads and other facilities in Guam.
- **Family Housing:** \$15.6 million to the Navy for repair of family housing in Guam, \$2.5 million for repair of Navy and Marine Corps family housing in California, and \$2.4 million to the Air Force for repair of family housing in Guam and California.

Department of Transportation & Related Agency

- **Office of the Secretary:** \$3.9 million for transportation planning and research.
- **Federal Aviation Administration:** \$156 million to accelerate the FAA's progress on testing and fixing the year 2000 problems in the air traffic control computer systems. The Committee requires the FAA to report monthly on the progress made on fixing year 2000 deficiencies.
- **Federal Highway Administration:** \$259 million to the emergency relief program for highway repairs resulting from natural disasters. Over the last five years, the program has required an average of over \$582 million per year. In FY98, only \$288 million was available and \$276 million of that amount has been obligated to date.
- **National Transportation Safety Board:** \$5.4 million to continue its investigation of the TWA flight 800 accident.

Department of the Treasury

- **Automation Enhancement:** \$39.4 million to Department and \$5.3 million to the Financial Management Service for 2000 century date change conversion costs.

Department of Veterans Affairs

- **Veterans Benefits Administration:** \$550 million for mandatory compensation and pensions for costs associated with the 1998 cost-of-living adjustment of 2.1 percent and for an increase in the number of beneficiaries.

National Aeronautics and Space Administration

- Human Space Flight: The Committee recommends against the administration's proposal to authorize NASA to transfer \$45 million from the "Mission support" account and \$128 million from the "Science, aeronautics and technology" account to the "Human space flight" account for use in conjunction with the International Space Station Program.

RESCISSIONS

Food Safety and Inspection Service	\$ -502,000
Agriculture Credit Insurance Fund Program, Farm Service Agency	-6,736,197
Rural Housing Service (salaries and expenses)	-846,000
Bureau of Land Management (management of lands and resources) (Oregon and California grant lands)	-1,188,000 -2,500,000
U.S. Fish and Wildlife Service (resource management) (construction)	-250,000 -1,188,000
National Park Service (construction)	-1,638,000
Bureau of Mines (mines and minerals program)	-1,605,000
Bureau of Indian Affairs (construction)	-837,000
Office of the Secretary, DOT (payments to air carriers) (contract authority)	-2,499,000 -3,000,000
Federal Aviation Administration (grants-in-aid for airports) (contract authority)	-185,893,000
Federal Railroad Administration (Conrail labor protection)	-508,234
U.S. Customs Service (salaries and expenses)	-11,300,000
Internal Revenue Service (information technology investments)	-33,410,000
Total rescissions	-253,900,431

Offsets

- The Committee, as requested by the administration, offsets the costs of the supplemental request for Program Management, Health Care Financing Administration by lowering the obligation limitation for peer review organizations by \$16 million. This still leaves a sufficient amount of \$67.4 million for contracts for peer review organizations in 1998. In addition, CBO estimates an additional \$4 million offset from Mineral Management Services activities.

Note: The total rescissions, combined with the above offsets, total \$273,900,431.

General Provisions

In addition to provisions regarding the limitation of funds, Patent and Trademark Office plans to consolidate, and Department of Health and Human Services general departmental management, the Committee includes a provision on universal service:

- **Universal Service:** Sec. 2004 requires the Federal Communications Commission (FCC) to report to Congress, by May 8, 1998, regarding: (1) a revised structure for the administration of the schools and libraries and rural health care programs; and (2) the funding for the schools and libraries and rural health care programs, detailing both the costs and the contribution requirements. It also requires the FCC to: (1) prioritize assistance on the basis of need; (2) limit salaries to the Executive Schedule limits for the officers and employees of the selected entity; and (3) not adjust the contribution factors for telecommunications carriers, or collect contributions from carriers, prior to June 1, 1998, so that Congress has an opportunity to see the report and conduct any necessary oversight hearings.

ADMINISTRATION POSITION

The statement of administration position was not available at press time.

COST

CBO estimates the following outlays: \$916 million for FY 1998; \$1.65 billion for FY 1999; \$391 million for FY 2000; \$79 million for FY 2001; and \$31 million for FY 2002 and future years.

POSSIBLE AMENDMENTS

At press time, there were no known amendments.

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March 17, 1998

Supplemental Appropriations, 1998, S.1768

Budget Authority

Discretionary	Request	Recommendation	Recommendation vs. request
Department of Defense (emergency)	2,021,147,000	1,991,747,000	-29,400,000
Natural Disasters & Other Emergencies			
Agriculture	85,000,000	139,480,000	+54,480,000
Energy & Water	39,340,000	58,000,000	+18,660,000
Interior	96,188,000	96,438,000	+250,000
Labor- HHS	—	9,000,000	+9,000,000
Transportation	259,000,000	259,000,000	—
Subtotal	<u>479,528,000</u>	<u>561,918,000</u>	<u>+82,390,000</u>
All other supplementals	33,546,197	279,956,197	+246,410,000
Rescissions & Offsets	-46,796,057	-273,900,431	-227,104,374
TOTAL, discretionary	<u>2,487,425,140</u>	<u>2,559,720,766</u>	<u>+72,295,626</u>

Prepared by the Senate Appropriations Committee